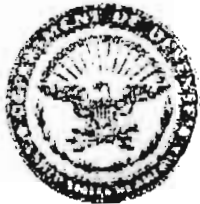


AUG 12 1986



disposal
DEPARTMENT OF THE NAVY

SUPERVISOR OF SHIPBUILDING CONVERSION AND REPAIR, USN
SAN FRANCISCO, CALIFORNIA 94124-2996

HAZWASTE

IN REPLY REFER TO:
4200
Ser 400/1033
1 Aug 1986

Southwest Marine of San Francisco
P.O. Box 7644 (Pier 28)
San Francisco, CA. 94120-7644
Attn: D. E. Moore

Subj: CONTRACT NO. N00024-84-C-8539, USS WICHITA, CLIN 0023;
HAZARDOUS WASTE DISPOSAL

Gentlemen,

On 18 July 1986, you removed asbestos wastes from the USS WICHITA; however, you refused to dispose of the wastes using your "generator" number as was your contractual responsibility. The Navy was forced to dispose of the waste.

As stated in our letter of 19 June 1986, Navy policy, as established by OPNAV letters of 11 Dec 85 and 6 Feb 86, clearly states that the contractor is considered to be the "generator" for waste that is created by work done in the contractor's yard. The terms of the subject contract incorporate that policy, and accordingly, it was your contractual responsibility to dispose of the waste using your own "generator" number.

We consider your inactions to be a violation of your contractual obligations.

Sincerely,

[Signature]
W. R. BELL
Contracting Officer

Pls. Copy To:
B. McKay
B. Gair
H. Engel

1/1

86 AUG -5 48:47

SOUTHWEST MARINE OF
SAN FRANCISCO, INC.